SENATE BILL No. 565

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-10-8-14; IC 27-8-24.2; IC 27-13-7-19.

Synopsis: Coverage for smoking cessation drugs. Requires a state employee health benefit plan, a policy of accident and sickness insurance, and a health maintenance organization contract that provides coverage for prescription drugs to provide coverage for smoking

cessation drugs.

Effective: July 1, 2007.

Lanane

January 23, 2007, read first time and referred to Committee on Health and Provider Services.





First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

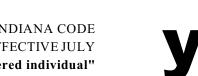
Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

C

SENATE BILL No. 565

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:



- SECTION 1. IC 5-10-8-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. (a) As used in this section, "covered individual" means an individual who is entitled to coverage under a state employee health benefit plan.
- (b) As used in this section, "smoking cessation drug" means a prescription drug prescribed to assist an individual in cessation of smoking tobacco use.
- (c) As used in this section, "state employee health benefit plan" means a:
 - (1) self-insurance program established under section 7(b) of this chapter; or
- (2) contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter; to provide group health coverage.
- (d) A state employee health benefit plan that provides prescription drug benefits must provide coverage for smoking



1 2

3

4

5

6

7

8

9

10

11

12

13

14

15

1617

2007

IN 565—LS 7265/DI 97+

IN 565-

1	cessation drugs.
2	(e) The coverage required under this section may not be subject
3	to dollar limits, deductibles, copayments, or coinsurance provisions
4	that are less favorable to covered individuals than the dollar limits,
5	deductibles, copayments, or coinsurance provisions applying to
6	prescription drugs generally under the state employee health
7	benefit plan.
8	SECTION 2. IC 27-8-24.2 IS ADDED TO THE INDIANA CODE
9	AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
10	JULY 1, 2007]:
11	Chapter 24.2. Coverage for Smoking Cessation Drugs
12	Sec. 1. As used in this chapter, "covered individual" means an
13	individual who is entitled to coverage under a policy of accident
14	and sickness insurance.
15	Sec. 2. (a) As used in this chapter, "policy of accident and
16	sickness insurance" has the meaning set forth in IC 27-8-5-1.
17	(b) The term does not include the following:
18	(1) Accident only, credit, dental, vision, Medicare, Medicare
19	supplement, long term care, or disability income insurance.
20	(2) Coverage issued as a supplement to liability insurance.
21	(3) Automobile medical payment insurance.
22	(4) A specified disease policy.
23	(5) A limited benefit health insurance policy.
24	(6) A short term insurance plan that:
25	(A) may not be renewed; and
26	(B) has a duration of not more than six (6) months.
27	(7) A policy that provides a stipulated daily, weekly, or
28	monthly payment to an insured during hospital confinement,
29	without regard to the actual expense of the confinement.
30	(8) Worker's compensation or similar insurance.
31	(9) A student health insurance policy.
32	Sec. 3. As used in this chapter, "smoking cessation drug" means
33	a prescription drug prescribed to assist an individual in cessation
34	of smoking tobacco use.
35	Sec. 4. A policy of accident and sickness insurance that provides
36	prescription drug benefits must provide coverage for smoking
37	cessation drugs.
38	Sec. 5. The coverage that must be provided under this chapter
39	may not be subject to dollar limits, coinsurance, or deductibles that
40	are less favorable to a covered individual than the dollar limits,
41	coinsurance, or deductibles that apply to coverage for prescription

drugs generally under the policy of accident and sickness



42

1	insurance.	
2	SECTION 3. IC 27-13-7-19 IS ADDED TO THE INDIANA CODE	
3	AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY	
4	1, 2007]: Sec. 19. (a) As used in this section, "smoking cessation	
5	drug" means a prescription drug prescribed to assist an individual	
6	in cessation of smoking tobacco use.	
7	(b) An individual contract or a group contract that provides	
8	coverage for prescription drugs must provide coverage for	
9	smoking cessation drugs.	
10	(c) The coverage that must be provided under this section may	
11	not be subject to dollar limits, copayments, or deductibles that are	
12	less favorable to an enrollee than the dollar limits, copayments, or	
13	deductibles that apply to coverage for prescription drugs generally	
14	under the individual contract or group contract.	
15	SECTION 4. [EFFECTIVE JULY 1, 2007] (a) IC 5-10-8-14, as	
16	added by this act, applies to a state employee health benefit plan	
17	that is established, entered into, delivered, amended, or renewed	
18	after June 30, 2007.	
19	(b) IC 27-8-24.2, as added by this act, applies to a policy of	
20	accident and sickness insurance that is issued, delivered, amended,	
21	or renewed after June 30, 2007.	
22	(c) IC 27-13-7-19, as added by this act, applies to an individual	
23	contract or a group contract that is entered into, delivered,	
24	amended, or renewed after June 30, 2007.	

